GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:2982
ANSWERED ON:12.08.2005
IT RELATED SEARCH ON BUILDERS
Hasan Chaudhary Munawwar

Will the Minister of FINANCE be pleased to state:

(a) whether Income Tax Authority had conducted search into the premises of leading builders of Mumbai;

(b) if so, the details of the outcome thereof;

(c) whether these builders are promoted by a large pharmaceutical company;

(d) if so, whether Income Tax Authorities have tried to hush up the cases; and

(e) the complete details in this regard?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM)

(a): Yes, Sir. The Income Tax Department has conducted searches in the premises of some of the builders of Mumbai, during Financial Year 2004-05.

(b): Under the Income Tax Act, investigation culminates into an assessment which then is a subject matter of appeal. The appeals often go up to High Court/Supreme Court. The results of the Search and Seizure, which is a tool of investigation, are known only when appeals, etc. are finalized.

(c): All these builders are not promoted by one pharmaceutical company. However, one of them has close connections with pharmaceutical business.

(d): No, Sir.

(e): Does not arise in view of reply to part(d) above.